GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3107
ANSWERED ON:10.08.2001
FRAUD IN BANKS
RAGHUNATH JHA

Will the Minister of FINANCE be pleased to state:

to reply given to unstarred Question Nos 5050 and 4157 on April 24, 2001 and December 15, 2000 respectively regarding ` Fraud in Banks` and state:

(a) whether the Government have received the requisite information from all the concerned banks;

(b) if so, the details thereof;

(c) the quantum of money involved in these bank frauds, bank-wise and;

(d) the details of action taken against bank officials including the steps taken to recover the money from them ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a):- Yes Sir.

(b), (c) & (d): A statement showing details of cases of frauds/opening of bogus accounts detected in branches of associate banks of State Bank of India at Mumbai and Delhi during the year 2000, amounts involved therein and action taken against persons found responsible in each case is given in Annexure. Banks filed civil and criminal suits against the officials and party concerned for recovery of the amount involved, besides taking disciplinary action against the officials involved in fraud cases.

Annexure

The number of cases of fraud/opening of bogus accounts detected in associate banks of SBI branches of Mumbai and Delhi during the year 2000.

S.No. Name of the Branch Date of Detection Amount involved (in Rupees) Action taken against persons found responsible

1. State Bank of Bikaner & Jaipur

(i) Service Branch, Mumbai 04.05.2000 7,020.00 Administrative warning given to one Officer.

(ii) Nehru Place, New Delhi 13.06.2000 4,21,28,000.00 One manager was suspended.

(iii) Nehru Place, New Delhi 07.07.2000 29,30,000.00 One manager was suspended.

(iv) Chandni Chowk, N. Delhi 13.09.2000 57,13,428.00 One officer suspended.

2. State Bank of Hyderabad - NIL -

3. State Bank of Indore - NIL -

4. State Bank of Mysore - NIL -

5. State Bank of Patiala

(i) Palam Extension, N Delhi 09.02.2000 25,637.50 Two clerks exonerated and
Charge-sheets issued
to two officers for
minor penalty
proceedings.

(ii) Palam Extension, N Delhi 05.05.2000 5,538.00 One clerk exonerated and
Charge-sheets issued
to two officers for
minor penalty
proceedings.

6. State Bank of Saurashtra - NIL -

7 State Bank of Travancore - NIL -